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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

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July 31, 2008

Palladon Iron Corporation  
Iron Bull Mining and Milling  
554 South 300 East, suite 250  
Salt Lake City, UT 84111

Subject: Tentative Approval of Amended Notice of Intention to Commence Large Mining Operations, Palladon Iron Corporation, Iron Springs Mine, M/021/008, Task #2438, Iron County, Utah

Dear Mr. Hawkins:

The Division has completed a review of your latest response regarding your large mine plan, received July 15, 2008. The Division is now prepared to tentatively approve the amendment to the large mining permit application on fee lands. Please be aware that this bond amount is only good until 2010 when the permit is scheduled for a bond escalation.

Prior to issuing final approval, we require that you provide us with:

1. two copies of the complete and corrected plan. When final approval is issued, one copy will be stamped "approved" and returned to you for your records;
2. a Reclamation Contract (Form MR-RC) and additional reclamation surety in the amount of \$126,900. Please contact Jed Pearson at (801)538-5382 or jedpearson@utah.gov to obtain the appropriate bond and reclamation contract forms.
3. if available, an electronic copy of the mine disturbed area in the original autocad, shape, or other file format. Please include the projection and datum information with this file. Contact danielsmith@utah.gov, (801)538-5292 for further information or questions.

Thank you for your cooperation and patience in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5320 or Tom Munson at 538-5321.

Sincerely,

Dana Dean P.E.  
Associate Director of Mining

DD:tm:eb

cc: Ed\_Ginouves@Blm.gov

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